FBIS-SOV-85-241
Monday
16 December 1985
Vol III No 241 Supp 018

Supplement

Daily Report

SOVIET UNION

NATIONAL AFFAIRS

FBIS FOREIGN BROADCAST INFORMATION SERVICE

FBIS

DAILY REPORT

CONTENTS

USSR National Affairs

Vol III No 241 *16 Dec 85*

POLITICAL & SOCIAL AFFAIRS

CPSU Cencom Resolution on Machine Tool Industry *[PRAVDA 13 Dec]* ..... R 1
PRAVDA Editorial on Precongress Role of Press *[12 Dec]* ..... R 3
Gostev Appointed New Finance Minister ..... R 4
M.I. Shchadov Appointed New Coal Minister ..... R 4
Aliyev Opens, Closes Youth Year Commission Talks ..... R 4
Reportage on RSFSR Writers' Conference ..... R 4
Congress Appeal to CPSU ..... R 4
Officials Attend Final Session ..... R 5
Grishin Stresses Economics at Party Conference ..... R 5
Ryazan Obkom Appoints New First Secretary ..... R 5
Udmurt Obkom First Secretary Replaced *[SOVETSKAYA ROSSIYA 14 Dec]* ..... R 5
RSFSR Official Jailed on Bribery Charges *[SOVETSKAYA ROSSIYA 15 Dec]* ..... R 5
Ryzhkov Addresses Minsk Party Conference *[PRAVDA 15 Dec]* ..... R 6
Changes in Armenian Communist Party Noted ..... R 8
Kazakhstan First Secretary Replaced *[AFP]* ..... R 9
Kazakh Supreme Soviet Approves Budget, Plan ..... R 9
Makhkamov Replaces Tajik CP First Secretary ..... R 9
Yeltsin Speech at Tashkent Conference Cited ..... R 10

ECONOMIC DEVELOPMENTS

Statistician Interviewed on Economic Indicators *[PRAVDA 9 Dec]* ..... S 1
USSR Dependence on Western Technology Denied *[Bogachev]* ..... S 3

SCIENTIFIC AFFAIRS

Cosmos-1708 Launched, Functioning Normally ..... U 1
Velikhov Interviewed on Building Fusion Reactor *[Belitskiy]* ..... U 1

CPSU Cencom Resolution on Machine Tool Industry

PM131533 Moscow PRAVDA in Russian 13 Dec 85
First Edition pp 1,2

[Unattributed report: "At the CPSU Central Committee"]

[Text] The CPSU Central Committee has adopted a resolution "On the Work of the Party Committee of the Ministry of the Machine Tool and Tool Building Industry To Strengthen the Responsibility of Communists in the Ministry Apparatus for Improving the Technical Standard and Quality of Output Produced in the Light of the Demands of the CPSU Central Committee April (1985) Plenum."

The resolution notes that the party committee of the Ministry of the Machine Tool and Tool Building Industry, guided by the decisions of the CPSU Central Committee April (1985) Plenum, is doing some work to strengthen the responsibility of Communists in the ministry apparatus for improving the technical standard and quality of the output produced. Exactingness has increased as regards implementing party and government directives and ensuring organization, order, and discipline at all levels of management.

However, as yet there has been no radical improvement in the party committee's work to mobilize the apparatus Communists ito fulfill the tasks set by the party in acclerating scientific and technical progress. These questions have not taken their proper place in the activity of the party organization. The ministry leaders have not reorganized their work in the spirit of present-day demands, and do not assess the results achieved self-critically, which gives rise to complacency and has a negative effect on the state of affairs in the sector.

The party committee has not ensured constant monitoring of the apparatus' work in the new conditions of economic management, the progress in pursuing the economic experiment in the sector, and the wide utilization of its potential. The transition to the production of highly automated machine tools and machines and the introduction of resource-saving technologies is taking place too slowly. There are serious complaints about the quality of the output produced: Losses from shoddy work and expenditure on repairs under guarantee have increased, and the number of enterprises against which USSR State Committee for Standards organs have imposed sanctions in the form of fines has grown.

Instances of amendments to plans for new technology and failure to fulfill them are not being stopped and are not receiving a proper party assessment. At the ministry's request, in the current 5-year plan period the USSR State Committee for Science and Technology has repeatedly extended schedules for the creation of progressive equipment.

In the work of the party organization insufficient attention is devoted to increasing the responsibility of the ministry's leading cadres for developing the masses' creativity and socialist competition among labor collectives. This work is not strongly enough oriented toward improving the technical standard and quality of output, promoting the intensification of production, and saving manpower and material resources.

The party committee and the ministry collegium have not achieved a substantial improvement in the style of the apparatus' work. An atmosphere of mutual strictness and exactingness and businesslike criticism and self-criticism has not been created in the collective, and bureaucratic, armchair methods of leadership have not been eradicated. Many workers in the apparatus do not have a profound knowledge of the state of affairs on the spot. The ministry's leaders seldom address labor collectives. There are cases of an inattentive attitude toward press items, appeals from local organs, and working people's complaints.

The party committee has slackened its influence on work in the selection, placing, and education of cadres, and fails to show persistance in strengthening leading subunits with highly qualified and enterprising leaders. The line of promoting promising young specialists is spursued too timidly. Lack of careful thought and sometimes excessive haste in the selection of leadership cadres leads in a number of cases to the appointment of incompetent people who are not capable of organizing the job, which leads to frequent changes of leaders. Systematic work is not being done to create a real reserve of cadres, and the training and retraining of specialists and workers in connection with the transition to the production and wide introduction of new generations of machines and equipment have not been properly organized. Study within the political and economic education network takes place in isolation from the urgent problems of the sector's development.

The organization of intraparty work requires further improvement. In the party committee and party organizations there is a lack of long-term planning, while discussions of communist leaders' reports are formal and do not exert the necessary educational influence. The practice of hearing reports from deputy ministers at party committee sessions is not followed. Individual conversations, that effective method, are not used. The practice persists whereby party proceedings are taken against communists directly by the party committee, bypassing the shop party organizations, and the lifting of penalties also takes place without their participation. Certain leadership workers in the ministry underestimate the role of the party organizations of the management apparatus, fail to display activeness in their work, attend meetings at shop party organizations and party committee and bureau sessions rareiy, and do not submit for their examination topical questions of the sector's development.

The party organization makes poor use of the right granted by the CPSU Statutes to monitor the apparatus' activity in fulfilling party and government directives. The commissions set up for this purpose fail to display initiative and persistence in eliminating shortcomings. Despite the serious omissions in the work of the ministry and some of its leaders, the party committee has not once informed the CPSU Central Committee of this.

The CPSU Central Committee drew the attention of the party committee of the Ministry of the Machine Tool and Tool Building Industry to the major shortcomings in organizational and political education workto strengthen the responsibility of Communists in the ministry apparatus for improving the technical standard and quality of the output produced. It instructed the party committee and the ministry collegium to implement concrete measures to ensure the unconditional fulfillment of the

decisions of the CPSU Central Committee April and October (1985) Plenums, the very important party and government resolutions on the development of machine building in the 12th 5-Year Plan and in the period through the year 2000, and the directives of the conference at the party Central Committee on questions of accelerating scientific and technical progress. In the course of the discussion of the precongress documents, a profound, all-around examination of the tasks facing the sector in the intensification of production and the improvement of the technical standard, competitiveness, and quality of output is to be organized. The mobilzing force of socialist competition is to be directed toward the resolution of these tasks and the wide use of the experience of the country's leading collectives is to be sought.

The ministry party committee and leadership are instructed to concentrate the efforts of the Communists and workers of the apparatus on improving the quality and the organizing role of plans for the creation of new technology and comprehensive targeted programs in the development of machine tool building and to more actively involve the scientific forces of the USSR Academy of Sciences, and ministries which are consumers of output in forming these plans. Creative collaboration between science and production must be strengthened in every way with a view to implementing a scientifically substantiated technical policy and creating and introducing flexible production systems, machine tools, and machines of new generations which increase labor productivity many times over. Wider use must be made of the potential for integration links with the socialist countries in the joint development and production of progressive machine tool equipment to satisfy the requirements of the national economy of the USSR and the CEMA member-states.

In work to improve the management of the sector, the resolution notes, it is necessary more resolutely to follow the path of abolishing superfluous components and reducing personnel numbers, amalgamating production and science-and-production associations, reorienting enterprises to produce progressive technology taking account of the requirements of specific consumers. and ending the production of inefficient equipment. In examining the most important and pressing problems of the sector's development, it is necessary to discuss them on a collective basis with the participation of the party aktiv and leading specialists.

The CPSU Central Committee demanded that the ministry collegium, the party committee, party organizations, and leaders of associations and enterprises take urgent measures toward the accelerated retooling of the machine tool and tool building industry itself, the introduction of modern metal-working equipment in their own production facilities, the more efficient utilization of the scientific and production potential which has been created in the sector, and the sharp improvement of the quality of the output produced.

The resolution stresses that every case of the delivery of incomplete, poor quality equipment and tools to consumers and of the failure to use capital investments assiduously must be the subject of a principle party examination, with the officials who are to blame being called sitrctly to account.

The party committee is instructed to adopt measures to further improve organizational party work and ideological work. It is to improve the party organizations' leadership of structural subunits, develop criticism and self-criticism — especially criticism from below — in every way, prevent ostentation and the embellishment of the state of affairs, and develop more widely the practice of individual conversations and reports by Communists on their fulfillment of their official duties and the demands of the statutes. Fuller use must be made of the right to monitor the apparatus' activity to fulfill party and government directives, and the systematic verification of the execution of the decisions adopted must be ensured. It is necessary to cultivate in Communists and workers on the apparatus a high degree of communist conviction, political maturity, and moral purity, and to involve the trade union and Komsomol organizations in this work actively. Businesslike ties must be established and developed between the party committee and the party organizations of associations, scientific research institutes, and ministries of associated sectors.

The CPSU Central Committee instructed the ministry party committee and collegium to increase exactingness toward leaders of administrations and departments for the implementation of the party's cadre policy. Workers who are not conscientious about their duties and are uncritical in assessing the state of affairs at the sectors in their charge must be dealt with strictly, up to and including relieving them of their posts.

The ministry's communist leaders are called upon in their practical activity to rely more on the primary party organizations, to make fuller use of the force of their influence on the formation in apparatus workers of an up-to-date approach to socioeconomic problems and the cultviation in these workers of a desire to work in the new way, devoting all their strength to the task, and to come out against sluggishness and stagnation. An example must be set in the mastery of Marxist-Leninist theory and economic knowledge and in personal participation in party political and ideological education work, and the enhancement of the role and prestige of party committees must be promoted in every way.

Union republic Communist Party central committees and the Moscow CPSU Gorkom are instructed to elaborate and implement measures aimed at strengthening the party organizations' leadership of ministries and departments and enhancing their role in improving the activity of the management apparatus and to constantly give them the necessary assistance. More attention must be devoted to party committee secretary cadres, so that the people elected to that post are politically mature, energetic, highly qualified specialists with firm convictions, good organizational qualities, and experience of work on elected party organs.

It is deemed expedient to extend the retraining of ministries' leading workers in economic, scientific, and technical problems at the USSR Council of Ministers Academy of the National Economy and to resolutely improve the work of sector institutes for improving the qualifications of leaders and specialists.

The CPSU Central Committee instructed the party committee of the Ministry of the Machine Tool and Tool Building Industry to analyze its activity critically in the light of this resolution and to eliminate the existing shortcomings. It demanded that the party organizations and leaders of the ministry, associations,

enterprises, and scientific research and design organizations develop the working people's creative initiative and activeness in every way and channel them into ensuring a fitting greeting for the 27th CPSU Congress and the successful fulfillment of plans and socialist pledges for the 12th 5-Year Plan.

PRAVDA Editorial on Precongress Role of Press

PM131328 Moscow PRAVDA in Russian 12 Dec 85
First Edition p 1

[Editorial: "Important Tasks of the Press"]

[Text] The period of great plans and bold actions, the concluding stage of the preparations for the 27th CPSU Congress, makes serious demands on the press. It must be a nationwide forum to discuss the draft new edition of the Party Program, the draft Party Statutes with proposed amendments, and the Basic Guidelines for the USSR's Economic and Social Development for 1986-1990 and the Period Through the Year 2000; it must gather the ideas, opinions, and experience of the masses, and shape that high labor, ideological, and moral mood without which the implementation of any plans is inconceivable. Proceeding from the party's program guidelines, a considerable amount still remains to be done to step up the role of the mass media and propaganda in our society. "The CPSU will seek to ensure that they profoundly analyze domestic and international life and economic and social phenomena, actively support everything that is new and advanced, raise topical problems which concern people, and propose ways of resolving them," the draft new edition of the Party Program says. "The press, television, and radio are called on to convince people by political clarity and purposefulness, depth of content, efficiency, informational richness, vividness, and accessibility of their articles."

Many editorial collectives are working fruitfully and with perceptible creative returns. As is known, the CPSU Central Committee approved the initiative of *TRUD*, which organized through its pages an all-union workers correspondence meeting on questions of economy and thrift and strengthening discipline and order at work. Dozens of workers have already put forward valuable proposals in *TRUD*'s discussion section, the implementation of which has been monitored. This experience is especially instructive since by no means all press organs grant a prominent place to the ideas of authors working at the lathe, on the construction site, in the field, or in the livestock unit. For instance, newspapers such as *RABOCHIY PUT* (Smolensk) and *VOLGOGRADSKAYA PRAVDA* carry very few vivid or notable articles and letters by workers and kolkhoz members.

Readers' attention is focused on newspaper sections entitled "Toward the 27th CPSU Congress." The thematic pages and selections of *ZARYA VOSTOKA* (Tbilisi), *URALSKIY RABOCHIY* (Sverdlovsk), *INDUSTRIALNOYE ZAPOROZHYE*, *SOVETSKAYA BELORUSSIYA*, and a number of other publications attract attention. City and rural workers voice on their pages additions to and observations on the draft documents and advise how to improve matters in any particular sector. These discussions are an effective form of realizing the democratic norms of Soviet people's power and raise the authority of the press and its propaganda, agitation, and organizational role.

At the same time we must not fail to observe that many press organs are still timid in formulating urgent questions and are superficial in analyzing active practice. Local press publications sometimes have no sense of the novelty of the problems and the novelty of the tasks being tackled by labor collectives. Restricting themselves to general discussions of future prospects, newspapers do not note the reserves which must be brought into play now, fail to point up the sources of mismanagement, and sometimes avoid naming those responsible for errors and omissions. They write in "smooth" general phrases about those who today are still trying to work in the old way, without making much effort. Not all editorial offices show concern for the effectiveness of articles or the implementation of the proposals voiced by their authors. Some newspapers signify the leading topic only in titles and "banner headlines," while the actual articles are about anything you like but not about what really needs to be done to accelerate scientific and technical progress, increase labor productivity, improve the economic mechanism, and assert economy and thrift as norms of life and behavior.

Life is now rich in events of great importance and of a very varied nature. Considerable art and journalistic skill are required to fittingly reflect all of them, make wise use of newspaper and magazine space and radio and television transmission time, and diversify the thematic and genre palette of articles. Each editorial office must take care to prepare and to publish or broadcast really interesting accounts about the progress of the discussion of the precongress documents at meetings in party organizations and labor collectives. However, this genre of journalism has recently somewhat faded and in some publications has dried up into cliches and a rehash of reports. Yet it is above all the opinions of meeting participants and conference delegates and the reflection of the active progress of discussion and criticism of ostentation, ballyhoo, and overregimentation — when they rear their heads — that are important.

In explaining the party's program aims and the meaning of its domestic and foreign policy, the press must also find room for articles on immediate action and for an analysis of the results of socialist competition at the end of the year, on the way plans and pledges are being fulfilled, on the way the formation of agro-industrial associations is proceeding, and on whether shortcomings are being eliminated and the experience of the frontrunners is being taken up. A constant topic is elucidation about wintering progress in livestock units and preparations for spring.

Embracing the range of problems and highlighting the chief ones among them is only half the problem. Today, in journalism as in other spheres of activity, special importance attaches to quality of execution. The reader and the spectator expect real journalism. Art that consists not of high-flown words or the piling up of compliments or accusations, but passion, depth, conclusiveness, analytical force, and cogency in tackling any particular topic, and authenticity in the facts reported. Soviet people will not accept oversimplified answers to questions, and we must talk to them in the language of truth.

The party values highly the work of journalists, which requires deep knowledge, creative intensity, principledness, and sometimes boldness too. It will continue, as the draft new edition of

the CPSU Program says, to give the press and all the news and propaganda media active support and help. there is no doubt that at the new stage of the country's development, the press, television, and radio will be equal to the tasks which the party sets them.

Gostev Appointed New Finance Minister

LD141317 Moscow TASS International Service in Russian 1250 GMT 14 Dec 85

[Text] Moscow, 14 Dec (TASS) — The USSR Supreme Soviet Presidium has appointed Boris Gostev USSR minister of finance.

Boris Gostev was born in 1927, and is an engineer-economist by education. He began his career as an engineer at a footwear factory in Moscow. In 1953-57 he worked in the USSR Ministry of Light Industry. From 1959 to 1963 inclusive he worked in the USSR Gosplan.

In 1963 he was promoted to the apparat of the CPSU Central Committee, where he worked as deputy, first deputy and chief of department of planning and finance bodies of the CPSU Central Committee, and from 1982 to 1985 inclusive he was deputy chief of the CPSU Central Committee Economic Department, and since August 1985 he has been chief of the CPSU Central Committee Economic Department.

M.I. Shchadov Appointed New Coal Minister

LD151513 Moscow Domestic Service in Russian 1500 GMT 15 Dec 85

[Text] The Presidium of the USSR Supreme Soviet has appointed Mikhail Ivanovich Shchadov the USSR Minister of the coal industry. Boris Fedorovich Bratchenko, having retired for health reasons, has been released from the duties of minister.

The new minister, Comrade Shchadov, was born in 1927. He has been working in the coal industry for more than 35 years. Until his new appointment he was the first deputy minister of the coal industry.

Aliyev Opens, Closes Youth Year Commission Talks

LD140505 Moscow Television Service in Russian 1800 GMT 13 Dec 85

[From the "Vremya" newscast; video report on the 13 December Moscow session of the Commission on Holding International Youth Year in the USSR]

[Excerpts] The session was opened by Comrade Aliyev. There were three points on the agenda: The work of ministries and departments in developing scientific and technical creation by young people; the implementation of the reform of general education and vocational schooling; and the results of the UN World Conference on International Youth Year in the framework of the 40th session of the General Assembly.

Summing up, Comrade Aliyev noted that the decision to further develop scientific and technical creation by young people is important not only for its immediate economic benefit, but more significantly, for the fundamental implementation of the party's strategic policy of accelerating scientific and technical progress. [video shows Aliyev addressing rows of participants, Uralmash fitter speaking]

Reportage on RSFSR Writers' Conference

Congress Appeal to CPSU

LD141418 Moscow TASS in English 1238 GMT 14 Dec 85

[Text] Moscow, December 14 TASS — "Russian Soviet literature firmly stands on the positions of socialist realism, commitment to national roots and party spirit, and will firmly assert them in the future too", says the appeal addressed by the Writers' Congress of the Russian Federation, the largest Soviet republic, to the Central Committee of the CPSU. The congress closed in Moscow today.

"At the same time, we realize the need to strengthen further the ties of literature with the life of the people, to display even greater exactingness as regards the ideological and artistic quality of the works created," the address says. "It is the noble duty of writers to enrich culturally the socialist way of life, to foster communist morality."

"Today that [as received] the nuclear weapons race, creation of new types of mass destruction weapons threaten mankind's very existence, the Soviet writers are again raising their voice in defence of peace on earth. We ardently approve of and support the CPSU's peaceable foreign policy, the USSR's consistent, principled and contructive stand at the Soviet-American summit meeting in Geneva."

Russia's literature is a multination one: the writers of the Russian Federation create their works in more than 50 languages. In the course of four days writers have discussed their creative plans. They pointed out the gratifying chances in the life of the Soviet society. Ours, the delegate [as received] said, is a time of new active creative quest, of a manifestation of civic maturity and communist purposefulness in the implementation of the party's creative plans.

Sergey Mikhalkov, a prominent poet, dramatist and children's writer, has again been elected chairman of the Writers' Union of the Russian Federation.

He told the closing session of the congress: It was a forum of those who serve the cause of the party, the cause of people by their works truly and brilliantly. The discussions were highly fruitful. They covered problems of literature in their inseparable connection with the problems of life, with the main hopes and deeds of the present in the Soviet land.

Officials Attend Final Session

LD141413 Moscow Television Service in Russian 1130 GMT 14 Dec 85

[Announcer-read report from the "Novosti" newscast]

[Text] The Sixth Congress of RSFSR Writers ended its work today in Moscow. Comrades Demichev and Zimyanin were present at the congress's final session.

The first plenum of the board of the RSFSR Union of Writers, elected at the Sixth Congress of RFSFR Writers, took place. The plenum chose Comrade Mikhalkov as chairman of the board of the RSFSR Union of Writers and Comrade Bondarev as deputy chairman.

At the first plenum of the Auditing Commission of the RSFSR Union of Writers Comrade (Borzunov) was elected as its chairman.

Grishin Stresses Economics at Party Conference

LD150029 Moscow Television Service in Russian 1800 GMT 14 Dec 85

[Report on speech by Viktor Vasilyevich Grishin, first secretary of the Moscow Communist Party Central Committee and CPSU Central Committee Politburo member, to delegates at Kiyevskiy Rayon report-back and election conference in Moscow on 14 December; from the "Vremya" newscast]

[Excerpt] Viktor Grishin noted that in the capital, under the leadership of the city party organization, measures are being taken to transfer the economy to an intensive path of development to accelerate scientific and technical progress, to perfect the economic mechanism and to improve planning and management of Moscow's municipal economy.

This work is bearing positive results. At the same time, there are shortcomings and unsolved problems in various branches of the city's economy. These are still numerous in the rayon and also in the party's activity.

Comrade Grishin noted that the principled assessment of these shortcomings heard at the conference and the adoption of the necessary measures to eliminate them should facilitate the assertion of the Leninist style of economic management in the party organizations and have a beneficial influence on all spheres of the life of the rayon's labor collective.

Everything must be done to assure that the indexes of plan fulfillment for the current year and the 5-year period as a whole are as high as possible. The resolution adopted at the conference stresses that the party organization of Moscow's Kiyevskiy Rayon will multiply their efforts in mobilizing the working people to actively implement the plans for accelerating the country's social and economic development. [video shows delegates in foyer, Grishin addressing assembly]

Ryazan Obkom Appoints New First Secretary

LD141627 Moscow Television Service in Russian 530 GMT 14 Dec 85

[Announcer-read report from the "Vremya" newscast]

[Text] An organizational question was examined today at a plenum of the Ryazan Obkom. Comrade Priyezzhev was released from his duties as first secretary of the CPSU in connection with his retirement on pension. Comrade Smolskiy, who has been working as deputy chief of the CPSU Central Committee Organizational Party Work Department, was elected first secretary of the Ryazan Obkom. Comrade Razumov, first deputy chief of the CPSU Central Committee Organizational Party Work Department, paticipated in the work of the plenum.

Udmurt Obkom First Secretary Replaced

PM131515 Moscow SOVETSKAYA ROSSIYA in Russian 14 Dec 85 First Edition

[Unattributed report: "Cpsu Obkom Plenum"]

[Text] Ustinov — A plenum of the Udmurt Party Obkom held yesterday examined an organizational question. The plenum relieved V.K. Marisov of the duties of first secretary of the CPSU Obkom on his retirement.

P.S. Grishchenko, who has been working as a CPSU Central Committee inspector, was elected first secretary of the Udmurt Party Obkom.

K.N. Mogilnichenko, deputy chief of the CPSU Central Committee Party Organizational Work Department, took part in the plenum's work.

RSFSR Official Jailed on Bribery Charges

PM151442 [Editorial Report] Moscow *SOVETSKAYA ROSSIYA* in Russian 15 December 1985 First Edition carries on page 2 a 1600-word "Court Sketch" by M. Kashevnik entitled "Their Own Man in the Ministry" describing the case of I.S. Nekhoroshev, chief of the Transport and Shipments Administration of the RSFSR Ministry of Light Industry who abused his official position whereby he was able to allow persons to buy cars for their private use ahead of the top-priority category of persons (war and labor veterans, front-rank workers and skilled craftsmen) in exchange for bribes. Nekhoroshev was "sentenced to 10 years at a corrective labor colony, intensified regime" for his machinations. The report notes that "the director generals and ordinary directors, party organization secretaries, and trade union chairmen of Moscow's 'Burevestnik' footwear association, Leningrad's 'Skorokhod' plant, the 'Yessentuki' sewn goods association and many others would, without a second thought, sign applications from workers for the acquisition of cars for personal use although these were not entitled to acquire these. then, through 'their own men' in the ministry would get these false papers passed upward, all the way to the Minister Ye. Kondratkov (he incidentally, was recently sentenced to a long term for bribery and abuses by the USSR Supreme Court)."

Ryzhkov Addresses Minsk Party Conference
PM151812 Moscow PRAVDA in Russian 15 Dec 85 First Edition p 2

[TASS report under the rubric "Party Life: Reports and Elections": "A Mood for Action"]

[Text] Minsk, 14 Dec — Minsk's enterprises are boosting the production of output without the input of any additional resources. The entire output growth in the last 2 years has resulted from increased labor productivity and from savings of fuel, electricity, and rolled ferrous metals. A quality control system has been elaborated and is being implemented. Articles bearing the state seal of quality account for about 80 percent of output. During the discussion of the draft pre-congress documents, all of the city's labor collectives have adopted higher socialist pledges to produce only high-quality output.

The businesslike and principled discussion at today's city report and election party conference centered on the Communists' contribution to the intensification of production and on the enhancement of party leadership of the economy. N.I. Ryzhkov, member of the CPSU Central Committee Politburo and chairman of the USSR Council of Ministers, took part in its work.

V.A. Pechennikov, first secretary of the Minsk Party Gorkom; I.I. Kuleshov, general director of the "Minskiy Traktornyy Zavod imeni V.I. Lenina" production association; Hero of Socialist Labor Ye.A. Shulyak, forging and pressing machine operator at the motor vehicle plant; V.A. Belyy, vice president of the Belorussian SSR Academy of Sciences; T.A. Lapnitskaya, senior sales assistant at the "Belarus" department store; V.A. Novikova, director of the No. 3 secondary school; and others who spoke at the conference focused their attention on the quest for reserves to further enhance the efficiency and quality of work, and noted the importance attached to the utilization of intensive factors in the solution of this problem.

[At this point the TASS report carried by Moscow *IZVESTIYA* in Russian 15 December 1985 Morning Edition on page 2 under the same headline, adds the following paragraph:

["Exactingly analyzing the shortcomings, the delegates spoke about ways to further improve party organizational and ideological education work and to successfully solve social questions and questions of everyday life. It was emphasized that there has been unanimous support for the movement, launched widely among enterprises in the city and in the republic, to increase consumer goods output on the basis of local potential."]

N.I. Ryzhkov addressed the conference. Now that we have entered the final stage of preparations for the 27th CPSU Congress, he said, political work centers on questions of ensuring the practical implementation of the concept of accelerating the country's socioeconomic development, and also on discussion of the pre-congress program documents which determine the CPSU's long-term strategy, tactics, and norms of life. This has imparted profound ideological content to the work of party meetings and conferences.

The whole country is widely discussing the draft new edition of the CPSU Program. It lays down the main directions of the party's economic and social strategy, of the political system's development, and of the improvement of ideological work, which will ensure that our society rises to a qualitatively new level.

The CPSU Statutes are an effective instrument for the attainment of its program objectives and tasks. The proposed changes to the statutes are aimed at the further expansion of intraparty democracy and the development of Communists' initiative and responsibility.

The fundamental directives of the new edition of the CPSU Program have been translated into specific targets in the Draft Basic Guidelines for the Economic and Social Development of the USSR in 1986-1990 and in the Period Through the Year 2000. They reveal the party's economic strategy and determine consistently, from one 5-year plan period to the other, the paths for qualitative growth of productive forces and improvement of production relations, for the attainment of high material and cultural standards in the people's life, and for the strengthening of our state's economic potential and defense might.

It is totally clear that the discussion of long-term tasks at the close of the 11th 5-Year Plan period is closely intertwined with questions concerning its successful completion. This 5-year plan did not turn out to be simple. On the basis of a profound analysis, the party revealed boldly and in a principled fashion the objective and subjective factors impeding the national economy's development, elaborated decisive and effective measures to correct the prevailing situation, and embarked on a course of strengthening discipline and order. The implementation of these measures, which have been fully approved by the Soviet people, and the lofty creative enthusiasm within labor collectives have made it possible to enhance the efficiency of social production and accelerate the pace of its growth toward the end of the 5-year plan.

And now we can say with gratification that a substantial growth of the country's economic potential has been ensured during this 5-year plan. A new step forward toward improving Soviet people's life has been taken on the basis of the growth of material production.

When speaking about the 11th 5-Year Plan, it must be emphasized in particular that in this period the party embarked on tremendous work to solve the most important and urgent national economic problems. They concern primarily the elaboration of fundamentally new approaches toward the development of the economy which is a reliable base for the solution of the political and social tasks facing socialist society. It is here that foundations are laid for the steady growth of the material and cultural standards and all-around development of Soviet people and for the strengthening of the union of fraternal nations and ethnic groups. It is here that the fundamental advantages of our social system are visibly manifested. It is here that material foundations are laid for socialism's solid positions in the international arena.

The 12th 5-Year Plan will be a most important stage in the implementation of the party's economic strategy. It is in the next 5-year plan that we must accelerate the national economy's

development so as to ensure that the planned heights will be scaled. Essentially, the next 5-year plan must become a watershed in all directions of economic work.

Its main feature is that a decisive turnabout toward the economy's intensification will be ensured on the basis of scientific and technical progress and improvement of the economic management machinery. The acceleration of pace and the enhancement of efficiency will demand a serious renewal of the production potential on the basis of the latest achievements of scientific and technical progress and the implementation of a new technical reconstruction of the national economy. The positive changes planned in the development of material production will provide a reliable basis for further boosting the Soviet people's prosperity.

The June (1985) Conference at the CPSU Central Committee on Questions Concerning the Acceleration of Scientific and Technical Progress has provided us with an extensive program for action. A number of important decisions were adopted following the conference, aimed at the utilization of the latest achievements of science and technology. There are, however, many problems still awaiting solution. The main point is that it is necessary to activate the deep-seated reserves connected with the practical utilization of opportunities provided by the scientific and technical revolution.

Vast reserves for the further development of scientific and technical progress also have to be utilized on the basis of improvement in the economic management machinery. Levers and incentives which would help scientific and technical progress to the utmost must be brought into action.

The creation of advanced equipment and technology is inseparably linked with the technical standard and quality of output being produced. Despite the fact that much is being done in the country to improve the quality of output, this problem has become exceptionally acute for us. The CPSU Central Committee April (1985) Plenum placed the question of output quality at the focus of our economic policy.

We have now reached the point where resolute measures to improve the quality of output must be taken without any delay, and must be backed up by all available means. This work must become a matter for the whole people. Insofar as the problem of quality is multifaceted, its solution has to be approached comprehensively, by way of both scientific and technical progress and improvement of the economic management machinery; in production itself, this must be done by way of enhancing the level of its organization and enhancing labor standards and discipline, and also by way of making extensive use of the potential of socialist competition.

Speaking about shortcomings in the work of economic leaders, party organizations, and labor collectives in Belorussia to improve the quality of output, the speaker emphasized that life persistently demands the resolute intensification of the struggle for quality, that this most important work must be done daily and must be approached in a principled, exacting, and party fashion from truly state-minded positions.

The 12th 5-Year Plan will be a period when the practical transition to intensive methods of economic management will be implemented. Thrift will become the decisive source for satisfying the national economy's growing needs. From next year on, the growth of output volume must be secured as much as possible through the saving of all types of resources. The thrift policy is not a short-lived campaign, but a permanent demand by the party and a norm of our activity.

The implementation of the tasks set by the party regarding the acceleration of the country's socioeconomic development now depends largely on the state of affairs in capital construction. The question of concentrating capital investments and reducing the time taken to construct projects remains, like before, one of the most acute and fundamental issues. The time taken over construction is intolerably long, being 2-3 times longer than the set norms. The situation must be resolutely rectified.

N.I. Ryzhkov dwelt in detail on questions of enhancing the material and cultural standards of Soviet people's life. The Comprehensive Program for the Development of Consumer Goods Production and the Services Sphere, he noted, which has been elaborated for the first time in our country, is highly important.

What has to be done is to use all means to increase the output, expand the range, and improve the quality of consumer goods, widely using new equipment and technology, to create a well-organized leisure industry and a developed public catering network, and to ensure considerable expansion of collective market orcharding and gardening and of various maintenance services. Much has to be done in this direction, particularly in the countryside.

A feeling of great gratification is generated by the initiative of the republic's labor collectives in adopting higher pledges to increase consumer goods output on the basis of local resources. This is evidence of a responsible and mature approach toward the solution of tasks set by the party.

Particular significance in the implementation of the party's economic strategy is attached to the improvement of the national economy's leadership. The general line here has also been determined: It is necessary to comprehensively develop and enhance the efficiency of the entire system of management and economic activity and to bring it in line with the qualitative changes in the economy.

Much is already being done in this direction. A broader than ever quest for, and experimental trials of, effective forms of management, together with the dissemination of innovations that have proved their worth, have become a typical feature of the country's economic life.

Practically verified methods of economic management have been of great help in expanding the autonomy of enterprises and associations and enhancing their responsibility for the results of production activity. The next item on the agenda is the question of moving on from experiments to the broad application of management methods which have been tested in practice. From as early as 1987 all industry will be working in the new fashion,

and it will be joined by other sectors of the country's economy in the course of the 12th 5-Year Plan.

The solution of the large-scale and inspiring tasks being set by the party to the Soviet people, demands from every Communist and every Soviet citizen a profound and considered approach, a new perception of problems, and awareness of lofty responsibility to the motherland. This must be the guideline for the work of party organizations.

A paramount role in the concept of the country's accelerated socioeconomic development has been assigned to the human factor, the speaker said. It was emphasized at the CPSU Central Committee October (1985) Plenum that this factor can be activated only by means of a well-considered economic strategy, a strong social policy, and purposeful ideological education work, taken in their unbreakable unity.

To mobilize and activate the human factor in production means to create conditions for active creative labor, impose exemplary order and discipline, aim for accurate performance of contractual obligations, and organize matters so that everyone works at his job efficiently, with interest, and with total dedication of energy.

Increasing significance is attached today to such professional qualities as competence, a sense of innovation, ability to critically evaluate that which has been done, boldness and readiness to accept responsibility. These must be the distinguishing features of every Communist. The guarantee of a party member's high creative activeness is contained in his principledness, the constant concern for expanding and deepening intraparty democracy, criticism, and self-criticism, and strict adherence to the Leninist norms of party life.

The speaker emphasized the labor collective's role in the creation of a healthy moral climate and an atmosphere of implacability toward any breaches of discipline and order, and toward drunkenness in particular. the struggle against drunkenness and any other actions contrary to Soviet laws is not a [short-lived] campaign. It is necessary to take a resolute stand against indifference and complacency, and even the slightest slackening of effort in this important work must be considered impermissible.

The CPSU Central Committee demands that party organizations in all elements of the national economy aim their efforts toward maintaining and consolidating the incipient trends of acceleration in the economy's development, toward the activation of all internal reserves. In conclusion, N.I. Ryzhkov dwelt on questions of the foreign policy activity of the Communist Party and the Soviet Government.

During his 12-14 December tour of Belorussia, N.I. Ryzhkov visited several of the republic's labor collectives and enquired about the course of socialist competition for a fitting welcome of the 27th CPSU Congress, the prospects for the development of production, the growth of its efficiency, the improvement of output quality, and the solution of important social problems.

During the visits to Minsk's "Planar" and "Integral" associations, emphasis was placed on the particular role of subdivisions operating at the juncture of science and production in making broad use of the latest developments elaborated by scientists and designers which are up to the standard of world achievements, and in rapidly introducing modern technologies capable of producing a severalfold increase of labor productivity and of ensuring a qualitatively new standard of the entire technical-economic process.

The importance of boosting the output of large- and super-large-capacity trucks was noted in the course of conversations with workers and specialists at the Belorussian Motor Vehicles plant, and questions concerning the expansion and retooling of the enterprise and the fuller utilization of internal reserves were touched upon.

Problems concerning the deepening of financial autonomy and the team forms of labor organization were discussed at Polotskiy Rayon's Silnitskiy kolkhoz; questions of establishing new mutual relations between agro-industrial complex partners, aimed at a unified end result, were raised, and particular attention was drawn to the improvement of kolkhoz members' working and living conditions and to the unconditional fulfillment of plans for the construction of housing and of projects for social and cultural purposes.

During meetings at the shops of "Polimir" production association, emphasis was placed on the role of the human factor in the implementation of set plans and on the need to develop people's creative initiative, to make a bold break with outdated traditions and notions, and to inculcate a feeling of personal responsibility for the acceleration of soviet society's socioeconomic development and the achievement of a qualitatively new stage in this development.

While in Minsk, N.I. Ryzhkov laid flowers at the V.I. Lenin Monument and at the Victory Square Obelisk-monument, visited the "Khatyn" memorial complex where he laid flowers at the eternal flame, and saw the exhibition at the First Russian Social Democratic Workers Party Congress House-museum.

During his tour of the republic, N.I. Ryzhkov was accompanied by N.N. Slyunkov, first secretary of the Belorussian Communist Party Central Committee; G.S. Tarazevich, chairman of the Belorussian SSR Supreme Soviet Presidium; and V.I. Brovikov, chairman of the republic's Council of Ministers.

Changes in Armenian Communist Party Noted

GF111750 Yerevan Domestic Service in Armenian 0300 GMT 10 Dec 85

[Text] The plenum of the Armenian Communist Party Central Committee was held yesterday. The Plenum reviewed the agenda [words indistinct] of the 28th Armenian Communist Party Congress.

Comrade Karen Demirchyan, first secretary of the Armenian Communist Party Central Committee, gave an address on this issue.

It was decided by the plenum for the agenda of the 28th Armenian Communist Party Congress the following issues:

1. The CPSU Cadres and [words indistinct];

2. The Amendments of the CPSU Constitution.

The plenum also reviewed organizational issues. It relieved Grant Voskanyan of his duties as secretary of the Armenian Communist Party Central Committee due to his transfer to another post.

The plenum relieved Karlen Dallakyan of his duties as secretary of the Armenian Communist Party Central Committee due to his transfer to another post.

The plenum appointed Karlen Gambaryan secretary to the Armenian Communist Party Central Committee, which relieves him of his post as secretary of the Armenian Communist Party Central Committee [plenume Karlen Gambaryanin endretz hayastani comgusi gendgomi kardughar, nran azadelov haya stani comgusi gendgomi kardughar hayastani comgusi gendgomi shinararutyan yev kaghakayin dendesutyan pajni varichi bardaganutyuneritz] and chief of the Armenian Communist Party Central Committee Construction and Municipal Servies Department.

The plenum relieved (?Vladimir Galumyan) of his duties as secretary of the Armenian Communist Party Central Committee and as Armenian Communist Party Central Committee Bureau member.

It relieved Murad Muradyan and appointed him secretary of the Armenian Communist Party Central Committee, chief of the Armenian Communist Party Central Committee Construction and Municipal Services Department and promoted him from candidate member of the Armenian Communist Party Central Committee Bureau to member of central committee bureau.

The plenum promoted Levon Saakyan from candidate member of the Armenian Communist Party Central Committee Bureau to Central Committee Bureau Member.

The plenum relieved (?Khristofer Mandalyan) of his duties as chief of the Armenian Communist Party Central Committee Organizational Party Work Department and appointed him member of the Armenian Communist Party Central Committee Bureau.

Comrade Karen Demirchyan, first secretary of the Armenian Communist Party Central Committee, delivered a speech at the plenum. With that the plenum concluded its work.

Kazakhstan First Secretary Replaced
NC151340 Paris AFP in English 1328 GMT 15 Dec 85

[Excerpts] Moscow, Dec 15 (AFP) — A first secretary in the Soviet Central Asian Republic of Kazakhstan has been fired for abuse of power in what is viewed here as the latest in a series of moves by Moscow to develop a tighter grip on the eastern republic.

A. Koychumanov, Communist Party first secretary in the Kazakhstan capital Alma Ata since March 1983, was fired last Tuesday for "falsification of his official biography, immodesty and abuse of power," according to a local newspaper delivered in Moscow today.

The move is likely to tarnish the image of Kazakhstan's top Communist Party official, First Secretary Dinmukhamed Kunayev, who at 73, is one of the last influential politicians of the Leonid Brezhnev era, Soviet specialists here said.

Mr. Koychumanov's dismissal is the latest in a series of shakeups in Kazakhstan. The prime minister and speaker of parliament in Kazakhstan have also been replaced in the last 18 months, and so have seven of the 19 local Communist officials just this year.

To give Moscow a tighter grip on the republic, the second largest in the country and the largest in Soviet Central Asia, former KGB official Zakash Kamalidenov was given a post responsible for party cadres in the Kazakhstan Politburo. In addition, Mr. Koychumanov is replaced by Georgiy Shuliko, the first Russian to take the post in a region dominated by the Kazakh culture.

Kazakh Supreme Soviet Approves Budget, Plan
GF121849 Tashkent International Service in Uzbek 1700 GMT 12 Dec 85

[Excerpt] The session held by the Kazakh SSR Supreme Soviet has approved the Kazakh SSR's State Budget and Plan for 1986. The Kazakh State Budget and Plan takes into consideration the further development of that republic's economy.

As in the case of France, the Kazakh SSR has common borders with five countries. That republic is renown for its mining capacity, coal industry, and machine building industry. It is also the largest corn-growing center in the southern sector of the Soviet Union.

Makhkamov Replaces Tajik CP First Secretary
LD141430 Moscow Domestic Service in Russian 1400 GMT 14 Dec 85

[Text] A plenum of the Tajikistan Communist Party Central Committee was held in Dushanbe today. It considered an organizational matter. The plenum released Comrade Nabiyev from the duties of first secretary of the Tajikistan Communist Party Central Committee in connection with his retirement on pension owing to the state of his health. Comrade Makhkamov, who has been working as chairman of the Tajik SSR Council of Ministers, was elected first secretary of the Tajikistan Communist Party Central Committee.

Yeltsin Speech at Tashkent Conference Cited
LD141807 Moscow Domestic Service in Russian
1400 GMT 14 Dec 85

[Text] The report-back and election meetings of primary party organizations in Tashkent proceeded in an atmosphere of principled criticism and self-criticism and profound analysis of the state of affairs in all work sectors. This large and frank discussion of urgent problems relating to the acceleration of scientific and technological progress and the historic tasks that the party has posed for Communists and the whole of society in the draft pre-congress documents was continued today at a city party conference. Comrade Yeltsin, secretary of the CPSU Central Committee, took part in its work.

The reasons for the town's non-fulfillment of the 5-year plan tasks for the pace of increase in the volume of industrial output were revealed in a party-like exacting and creative way. Shortcomings were noted in the construction of housing and other amenities and in the field of consumer and cultural services for the population.

The need to raise the militancy of party organizations in the struggle against inertia, formalism, and ostention, and other negative manifestations that hamper our progress was discussed at the conference by Comrade Satin, first secretary of Tashkent City Party Committee, Comrade Marshalov, a steel worker at the October Revolution diesel-locomotive repair works; Comrade Bulatova, secretary of the Party Committee of Glav Tashkentstroy's Otdelstroy-2 trust; Comrade Zhuravlev, general director of the 'Chkalov' aircraft production association in Tashkent; Comrade Kasimova, a weaver at the textile combine; Comrade Makhmudova, first secretary of the Kirovskiy Rayon party committee; and others. A solution of key national economic tasks, the delegates noted, is impossible without the affirmation of the Leninist style of work in every party organization.

The conference was addressed by Comrade Yeltsin. he said, in particular:

[Begin Yeltsin recording] Comrades, today's conference is special inasmuch as it not only sums the results of the work of the city committee of the party over the accountability period, but also — which is particularly important — analyzes in a principled and frank manner what has been accomplished since the 16th plenum of the Uzbekistan Communist Party Central Committee which discussed and revealed serious shortcomings in cadres policy — one of the key issues concerning the work of party organizations. This set its imprint on the whole character of the report and the speeches. I can note with satisfaction that Communists have more critically than usual and at times self-critically been speaking about shortcomings in the work of the city party organization.

As noted by the Politburo of the CPSU Central Committee on 12 December, a more exacting setting is characteristic of all the report-back campaigns in the party. The number of people speaking — 11,500,000 — alone speaks vividly of this. A refreshing change in all relations — economic, social, and moral — has been visible and perceptible everywhere since the April and October plenums of the Central Committee and the June conference at the CPSU Central Committee on scientific and technical progress. It is clearly reflected, too, in the pre-congress documents that are being discussed at present. [end recording]

Statistician Interviewed on Economic Indicators

PM131313 Moscow PRAVDA in Russian 9 Dec 85
First Edition p 3

[Interview with Doctor of Economic Sciences Professor M. Eydelmen by D. Vasilyev: "Indicators"; first paragraph is *PRAVDA* introduction]

[Text] Articles and numerous letters from *PRAVDA* readers have pointed out that establishing the rate of economic development and assessing the work of economic links on the basis of the acquired production level in rubles cannot contribute to a reduction in expenditure and therefore cannot contribute to the acceleration of scientific-technical progress and the improvement of production efficiency. The editorial board asked Doctor of Economic Sciences Professor M. Eydelman, director of the USSR Central Statistical Administration Scientific Research Institute of Statistics and a USSR State Prize Winner, to express his views on these questions.

[Vasilyev] As production specialization and cooperation develop, the objects of labor pass through five or more enterprises during the production process before entering into service as, for example, finished machinery. And their value, a mounting figure, is always incorporated in the output volume. Readers' letters cite numerous examples which show that volume value indicators often give a distorted picture of enterprises' contribution to the creation of the social product. What have you to say about this, Mikhail Ruvimovich?

[Eydelman] This is a familiar question. It arose back in the twenties. Whether it is right to incorporate a repeat calculation of past labor in the production volume has been actively discussed in the press at various times, but as yet no proper scientific solution has been obtained. The problem of improving the system of indicators is now particularly urgent in connection with the CPSU's course toward making the 12th 5-Year Plan the breakthrough point in the transfer of the economy to an intensive development footing.

But if we are talking about fundamentals, I would like to say, first and foremost, that indicators incorporating a repeat calculation of the objects of labor are necessary in order to reflect the actual circulation of products in the national economy, taking into account the existing social division of labor. Important economic ratios are being established and analyzed and production links between enterprises and sectors are being studied ont he basis of gross (commodity) output. They are used to determine the full cost of articles and products of the enterprise (association) as a whole.

But the sphere of application of these indicators must be strictly limited. According to Marxist-Leninist economic theory they basically cannot reflect labor collectives' actual contribution to increasing the country's national wealth or provide an objective assessment of the results of enterprises' economic activity.

[Vasilyev] According to indirect calculations, the proportion of the repeat calculation of objects of labor in the structure of material expenditure (without depreciation) fluctuates between 75 and 80 percent. Do you have a record of this, and is it a likely figure?

[Eydelman] We do not keep a special record of this, in fact there is no need for it, since it is not difficult to establish this sum at the macrolevel. At present the total repeat turnover of objects of labor is 4-5 times greater than the value of the primary objects of labor which annually come into the production process, and this approximately corresponds to the above figure.

[Vasilyev] Do you not think that a predominance of indicators incorporating a repeat calculation of past labor could run counter to the solution of the task outlined in the Basic Guidelines: "Achieve higher targets at less expense"? After all, in the pursuit of gross output the commitment to reduce expenditure — saving material resources and using new equipment and technology — get lost.

[Eydelman] This is one of the most serious shortcomings of the general employment of volume value indicators (gross, commodity, and marketed output) to assess enterprises' economic activity and determine their contribution to the creation of the country's national wealth.

[Vasilyev] But this shortcoming has existed in the past...

[Eydelman] Of course. But here we must take into account the following point. During the period of extensive economic development it was necessary to build new plants and increase the number of workers and employees in order to increase output. In those conditions the use of indicators with repeat calculations was to a certain extent justified. Although even then they did not stimulate production efficiency and output quality properly, and sometimes they ran counter to this process.

Now that the country has established a powerful production potential, as a result of intensification we can and simply must obtain more output at the same or even less expense. This is set down in the draft new edition of the party Program: "The whole management system must be geared to increasing the contibution of every component of the national economy to the attainment of the ultimate goal — the fullest satisfaction of society's needs while consuming as little as possible of all types of resources."

But if we continue to measure collectives' contributions to the "attainment of the ultimate goal" using the former indicators on the basis of a level attained in the past, then a reduction in expenditure would be contraindicated since this would entail a deterioration of their basis work indicators and a reduction of material incentives. Therefore, in a situation of deepening intensification, indicators are needed which lead to economies and the acceleration of scientific and technical progress.

[Vasiliyev] What, in your view, should be the distinguishing feature of these indicators?

[Eydelman] In conditions of intensification, indicators that rule out a repeat calcualtion of objects of labor are essential in order to measure the contribution made by economic components to the attainment of the ultimate goal and to determine the production and labor productivity growth rate.

[Vasilyev] And what, in your opinion, is the most suitable indicator for this?

[Eydelman] The indicator is national income. It represents newly created value, and the scale and rate of national economic development and improvement of the people's well-being depend on the size of it. National income does not contain the repeat calculation and is less susceptible to structural changes in the national economy.

[Vasilyev] But the national income is now only calculated at the macrolevel, and a blanket indicator, from enterprise to the national economy as a whole, is needed to measure the economic components' contributions to the attainment of the ultimate goal.

[Eydelman] Right. But economic components' acutal contributions to the end product can only be determined on the basis of newly created value, that is, net output. Therefore, I am proposing in Section XIV of the Basic Guidelines for Development, which deals with the improvement of indicators, a more specific statement: "To measure the contributions of economic components to the growth of national wealth, indicators are to be used which rule out a repeat calculation of past labor. The national income indicator must be established at all management levels."

[Vasilyev] That raises the following question: The level of profitability of different articles fluctuates greatly at the moment. Since there is a considerably higher proportion of profit in net output volume than in commodity output volume, then obviously this will markedly increase the division of products into profitable and unprofitable.

[Eydelman] This shortcoming can be eliminated by introducing an across-the-board rate of profitability for individual sectors or for a number of sectors. The stimulus for the output of certain types of products, which is currently provided by raising their level of profitability, can be provided just as successfully by raising prices, as has been done in respect of products with the Seal of Quality.

[Vasilyev] Some economists have expressed the fear that the net output indicator could inhibit the elimination of manual labor.

[Eydelman] That could happen if we replaced the cult of gross (commodity) and marketed output with the cult of net output, as was attempted during the introduction of normative net output. The use of the new indicator to establish the rate of growth of production volume and labor productivity should be accompanied by the elimination of collectives' interest in artificially increasing the net output volume...

[Vasilyev] And how should that be done?

[Eydelman] First of all, the wage fund and the collectives' material and moral incentives should directly depend on actual output and its normative labor-output ratio, and not on the volume in rubles. Moreover, I believe that net output, like the indicators incorporating a repeat calculation of past labor, should be used as an accounting indicator.

[Vasilyev] But will we not be going to the other extreme?

[Eydelman] The gross social product incorporates a multiple repeat calcualtion of the objects of labor, and the national income excludes material expenditure altogether. How is this allowed for when assessing the dynamics of the economic development rate?

I think the following option is the most expedient. Add to the national income the depreciation figure and the circulating capital reserves for the start of the year, and you have the end social product. A similar indicator is extensively used around the world to determine the volume and rate of growth of the national product.

[Vasilyev] In your view, how will the exclusion of the repeat turnover figure affect the rate of economic development in an intensification situation?

[Eydelman] According to some economists this step could allegedly lead to a reduction in the production growth rate. This is a serious error. In fact, calculations show that the opposite is occurring. The following calculation shows this:

1984 as a percentage of:
19751980
Gross social product (including repeat calculation of objects of labor)141.6115.3
End social product (national income plus depreciation)148.4117.7

So the artificial reduction of the rate of economic growth on the basic of an indicator including a repeat calculation of past labor was 6.8 percent over the past 9 year and 2.4 percent over the 4 years of the current 5-year plan.

[Vasilyev] As the intensification process deepens, this trend could intensify?

[Eydelman] Of course. In fact, production intensification on the basis of accelerating scientific and technical progress should lead to a reduction in expenditure per unit of output and a reduction in materials-intensiveness. It is also aided by the intensification of the struggle to save material sources and by more efficient utilization of existing production capacities. But given the current criteria for assessing enterprises' activity the introduction of new equipment and reduction of material resources are often unprofitable since ultimately it all leads to a reduction in the volume of gross, commodity, and marketed output and a deterioration in all other indicators calculated on that basis.

[Vasilyev] Including labor productivity?

[Eydelman] Of course.

[Vasilyev] So scientific and technical progress reduces labor productivity?

[Eydelman] Actually it raises it. But to measure it on the basis of expenditure starting from the achieved level is to distort the real picture. Theoretically the improvement of labor productivity should lead to a reduction in cost and prices, but in fact the opposite occurs — an increase in prices helps to improve labor productivity. To eliminate this contradiction it is necessary to

turn national income into an indicator at all levels and restrict the use of indicators incorporating a repeat calculation of the value of past labor, which was mentioned above.

[Vasilyev] But what do you think should be the main indicator for the assessment of the work of economic components in an intensification situation?

[Eydelman] Some economists believe that this can be done on basis of profit. Profit and profitability are important indicators for assessing economic activity. Especially when profit is increasing without price rises. But in general I do not support the idea of a general indicator. Like instruments and items of equipment, every economic indicator and normative has its own function and must be used to perform a particular role and purpose.

A system of differentiated indicators and normatives is needed for the assessment of the objective work of economic components — a system that takes into account the peculiarities of sectors and regions. What is needed above all in my opinion is a bigger role for physical and labor indicators. Material and moral incentives should be geared to fulfilling them. The role of the volume of marketed products, taking into account the fulfillment of contract commitments, must also be further increased.

[Vasilyev] The use of this indicator has made it possible markedly to improve the fulfillment of contract deliveries. At the same time, many collectives which fail to meet their contract commitments in full are overfulfilling output sales volume targets. How do you explain this "double-entry bookkeeping," and how can it be eliminated?

[Eydelman] There are several reasons for this. The weightiest, in my view, is the calculation of the production volume and labor productivity growth rates on the basis of the level achieved, which includes repeat calculation of "other people's" labor. This level is, as a rule, used as a point of departure when planning specific increases in commodity output and output sales for the coming period. Because the production and labor productivity growth rates and the size of the wage fund and economic incentives funds depend on the fulfillment of the plan in terms of rubles, indicators which include repeat calculation essentially become the production collective's main aim. Anything that leads to a decrease in volume in terms of rubles is — given the slightest chance — rejected out of hand, or gradually "ignored."

To eliminate "double-entry bookkeeping" it is necessary above all to remove the production collectives' vested interest in pursuing by hook or by crook an increase in volume in terms of rubles. The volume of output sales must correspond to the sum of contract commitments and delivery schedules. To this end the directive approved 19 June 1981 by the USSR Central Statistical Administration in agreement with the USSR Gosplan and the USSR Ministry of Finance must be strictly abided by. It provides for the exclusion from the output sales volume of the value of goods which have not been delivered to consumers in terms of quantity, delivery dates, and product mix (range), and also of goods delivered in excess of the contract volume and goods other than those that have been ordered.

Labor productivity indicators (in terms of net output) and prime cost indicators must assume a more important place in the system of indicators used to assess the work of economic components. In his report at the CPSU Central Committee Conference on Questions of Accelerating Scientific and Technological Progress, M.S. Gorbachev, general secretary of the CPSU Central Committee, noted that "'expenditure-based' economic development is condemning the country to stagnation," and suggested that "everything that is obsolete be boldly eliminated to fully bring into play what might be described as the 'anti-expenditure economic machinery,' which would stimulate economic development and penalize negligent managers and those who like to grab as many resources and capital investments from the state as possible, yet give as little as possible in return."

[Vasilyev] Do you believe that all this can be applied in the 12th 5-Year Plan?

[Eydelman] Absolutely. The use of indicators which exclude last year's repeat calculation does not require fundamental reforms in planning and statistics. The current accounting system has the basic data needed for this at its disposal. We must not waste time. This problem is one of those about which it was said, at the conference on accelerating scientific and technological progress, that for many years now we have been skating around the problems of radically restructuring the system of planning and management and the entire economic machinery. We are weighing up how best to approach them. But there is little real progress. It seems that we are held back by fear of making mistakes, of taking decisive action, and at times by plain conservatism. And thus we are today confronting essentially the same problems which arose decades ago but which have become more acute...

Switching to assessing the economic components' real contribution to the creation of the end social product is an objectively necessary measure if the course mapped out by the CPSU Central Committee April (1985) and subsequent plenums to enhance the pace of economic development on the basis of accelerating scientific and technological progress is to be implemented. This will fully accord with the aim of socialist production, namely the fuller satisfaction of society's needs with the minimum expenditure of resources.

USSR Dependence on Western Technology Denied

LD151645 Moscow World Service in English 1410 GMT 13 Dec 85

[Yuriy Bogachev Commentary]

[Text] Energetic measures are being taken in the Soviet Union to modernize the economy on the basis of progress in sicence and technology. In this connection the bourgeois media are trying to present a picture that the USSR is supposedly dependent on imports of equipment and technological know-how from Western countries. Is that true? Our commentator Yuriy Bogachev writes that the entire volume of Soviet imports from capitalist countries makes up less than 1 and 1/2 percent of the nation's gross national product [as heard]. One doesn't have to be an economist to realize that such a tiny share cannot have a decisive impact on

the development of the Soviet economy.

What's more, the Soviet Union not only buys but also sells high technology. In the past 20 years for instance, the Soviet Union has sold twice as many licences to the United States as it's bought form American companies. The leader of the American firm Kaiser Research, John Kaiser, has told the newspaper *WASHINGTON POST* that the view about alleged backwardness of Soviet technology is an outdated one. Such companies as Dupont, for instance, wouldn't be buying new patented drugs and surgical tools as well as licences for complex technological processes from the Soviet Union if it were otherwise.

Soviet licences are now bought in 40 countries, including the United States, Japan, the Federal Republic of Germany, France and other industrially advanced capitalist states. The Soviet technical know-how and its latest technology are enjoying an ever growing demand on the world market. And that's only natural — the Soviet Union is the second largest world power for industrial potential; it has an advanced science; it's the land of outstanding scientists and engineers and highly skilled workers.

Such a country can naturally develop any new equipment, any high technology, but it's common knowledge that it's sometimes cheaper and simpler to buy something new than to create it by the nation's own efforts. In the present day world every single country takes this into account and strives to develop only some equipment and technology independently. The Soviet Union is no exception. In its plans to modernize the possibilities, on its own achievements. This year for example more than 3 500 automated shops and whole plants with the latest technology have been launched into operation in the Soviet industry. But the Soviet Union would like to use for this purpose also the additionally opportunities that area created by international cooperation. This country proposes businesslike cooperation for mutual advantage, not only to develop the economy, but also as an important factor of the international relaxation; in the interests of peace.

Cosmos-1708 Launched, Functioning Normally

LD131731 Moscow Tass in English 1712 GMT 13 Dec 85

[Text] Moscow, December 13 TASS — The artificial earth satellite Cosmos-1708 was launched in the Soviet Union today.

The sputnik carries scientific equipment designed to continue the program of exploration of natural resources of the earth in the interests of different branches of the national economy of the USSR and international cooperation.

The sputnik was put into an orbit with the following parameters:

The initiative period of revolution — 89.2 minutes,

The maximum distance from the surface of the earth (in apogee) — 313 kilometres,

The minimum distance from the surface of the earth (in perigee) — 197 kilometres.

The inclination of the orbit — 82.3 degrees.

Apart from scientific equipment the artificial earth satellite also carries radio systems for precise measurement of the elements of the orbit, a radio telemetric system to transmit back to earth data on the operation of instruments and scientific equipment.

The equipment aboard the sputnik is functioning normally.

The incoming information is being transmitted to the state scientific research and production centre "Priroda" for it to be processed and used.

Velikhov Interviewed on Building Fusion Reactor

LD060616 Moscow in English to North America 2300 GMT 5 Dec 85

[Report on interview with Dr Yevgeniy Velikhov, vice president of the USSR Academy of Sciences, by correspondent Boris Belitskiy; date and place not given — passages within quotation marks recorded]

[Excerpts] [Announcer] The Soviet Union is a consistent supporter of international scientific cooperation. Just recently the Soviet leader Mikhail Gorbachev proposed an international project based on the Tokamak fusion reactor.

Research in the area of controlled nuclear fusion has a history of over 30 years, and here is our science correspondent Boris Belitskiy to trace its progress.

[Belitskiy] Is it realistic to speak today of the time when humanity will be able to harness fusion power? Well, this is how that question has been answered by physicist Dr Yevgeniy Velikhov, a vice president of the USSR Academy of Sciences.

[Velikhov] "The research has reached the required level, and from both the scientific and the technological standpoint we are prepared to construct an experimental fusion reactor by 1993. This will enable us to test our basic technological concepts, and by the year 2000 it should be possible to build the first fusion power station."

[Belitskiy] Asked about the safety of fusion reactors for operating personnel and for the environment, Dr Velikhov said this:

[Velikhov] "A fusion reactor will be absolutely safe. We have studied this problem experimentally for a long time. Various installations have now provided the necessary results on the individual parameters involved and the reliability of such a reactor cannot be questioned."